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TO RUEHC/SECSTATE WASHDC 9287
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC
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RUEHAC/AMEMBASSY ASUNCION 6579
RUEHMN/AMEMBASSY MONTEVIDEO 6776
RUEHSG/AMEMBASSY SANTIAGO 0790
RUEHBR/AMEMBASSY BRASILIA 6449
RUEHLP/AMEMBASSY LA PAZ SEP SAO PAULO 3545
RUEHRI/AMCONSUL RIO DE JANEIRO 2377

UNCLAS BUENOS AIRES 001877

SIPDIS

SIPDIS
SENSITIVE

DEPT FOR EB/TPP/IPE JBOGER, RWALLACE AND RWATTS
PASS USTR FOR JENNIFER CHOE GROVES, KATHARINE DUCKWORTH
DOC/ITA/MAC/OIPR FOR CATHERINE PETERS
PASS USPTO TO JURBAN AND LOC STEPP
TREASURY FOR ROSELLEN ALBANO

E.O. 12958: N/A

TAGS: KIPR ECON AR

SUBJECT: ARGENTINE AMCHAM'S ANNUAL IPR CONFERENCE MAKES A SPLASH

Refs: Buenos Aires 1720
Buenos Aires 927

Summary

11. (SBU) The American Chamber of Commerce in Argentina hosted a successful intellectual property rights conference on September 11, with international participation and significant press coverage. Government officials from Brazil, Paraguay, Uruguay and the U.S. spoke about their national programs to combat intellectual property (IP) violations, and business representatives stressed the negative impact of IP violations on Argentina's investment climate and tax collections. The event attracted considerable press attention, including a front-page, above-the-fold article in a leading daily, and was extremely well-attended. Ambassador gave opening remarks, and a pro-IP editorial with his byline was published in the country's leading newspaper the day before the conference to highlight the importance of IPR protection. End Summary.

Conference: Foreign Programs, Domestic Effects

12. (U) The American Chamber of Commerce in Argentina (AmCham) hosted its second annual intellectual property rights (IPR) conference on September 11. The event was well-attended: despite a steady rain that day, organizers had to bring out more chairs early in the morning to accommodate 80 attendees and participants. The Ambassador offered opening remarks, stressing the creativity of the Argentine people and the importance of innovation for economic growth. AmCham also invited GoA participants of a recent Post-sponsored IP law enforcement event (Ref A) free of charge. A federal prosecutor, two city of Buenos Aires prosecutors, and a Customs trademark fraud official attended.

13. (U) The 2006 conference focused solely on Argentina, but this year's had a decidedly international flavor. The first panel featured government officials from Brazil, Paraguay, Uruguay and the United States discussing government programs to reduce piracy. Argentina's neighbors Brazil, Paraguay, and Uruguay have all established anti-piracy IP working groups to coordinate the regulatory and enforcement activities of several government

agencies. The Brazilian efforts are clearly the most advanced of the three, with its National Council for Combating Piracy in existence since 2001, a 99-step anti-piracy plan, and a mandate which covers enforcement, training, education, incentives to consume legitimate goods, and better intra-governmental links. Paraguay's IP working group focuses mainly on improved enforcement, and was created in the face of daunting obstacles. Their speaker, the Director of Customs, noted that a prosecutor was assassinated after ordering the seizure of nine million pirated optical discs. Uruguay has an inter-agency group which focuses on developing IP policy, and a public/private working group formed in 2005 to advise the policy group. (Uruguay is also the only one of the four - including Argentina - countries not presently on USTR's Special 301 Watch List, having been upgraded in 2006 after nine years on the list.) USPTO's regional IPR officer summarized the Stop Fakes program. Argentina's representative on the panel, the President of the National Institute of Industrial Property (INPI, USPTO-equivalent), spoke of his organization's efforts and successes in improving patent and trademark application processes.

¶4. (U) A business panel included representatives of U.S. firms Nike, Microsoft, 3M and Ford. Pablo Sonne, the President of the lone Argentine-based firm on the panel, clothing company Rever Pass, estimated that 7-10% of his firm's annual sales were lost to counterfeit knock-offs. He stressed the importance of intellectual property protection for becoming a country which exports more than primary products, adding that "lack of investment in IP prevents a country from evolving." Other benefits of an improved IPR regime were cited, as the Ford rep noted that 20% of car accidents in Argentina caused by mechanical failures were proven to be due to fake parts, and the Microsoft rep cited the worldwide correlation between high per-capita GDP and strong IP protection.

Headliner Ambassador Editorial and Conference Coverage

¶5. (U) An editorial bylined by the Ambassador was prominently placed the day before by Clarin, the daily with the widest circulation in Argentina (400,000), and AmCham distributed a copy of it to each conference attendee. Participants praised the editorial for its focus on the positive aspects of protecting Argentine creativity. The conference itself received broader coverage than AmCham expected, with a front- page, above-the-fold) feature in daily-of-record La Nacion, which expanded into a long article and color photo dominating that day's Economy section.

Comment

¶6. (SBU) The most telling aspect of the conference was the stark contrast between Argentina and its MERCOSUR partners, Brazil and Uruguay. With 12 consecutive years on USTR's Special 301 Priority Watch List (PWL), Argentina's inability to improve its IPR regime compares unfavorably to Uruguay, which graduated from the Watch List (WL) in 2006, and Brazil, which was upgraded from PWL to WL in 2007. While these neighbors have found the political will to commit public resources and energy to IP working groups, Argentina has yet to adequately promote inter-government agency and public/private sector IP enforcement coordination. Post's own sponsorship of a mid-level inter-government agency IP enforcement workshop (Ref A) was one step in this direction, and in accordance with our Mission's strategic IPR plan (ref B), we will continue to work with our GoA counterparts to encourage higher level GoA engagement on IP themes.

WAYNE